

With high gas prices taking a toll on families and our economy, this legislation offers incentives like public transit benefits, vanpools, and other market-based solutions to provide transportation options to businesses and their employees. The Commuter Relief Act offers commuters immediate relief and options without impacting the federal deficit.

This legislation expands a series of tax credits for individuals and employers to make it easier for people who wish to commute to work by bicycle, walking, carpooling, or using public transit. Specifically, the bill contains the following provisions:

- **Transit Equity:** Sets the uniform dollar cap for all transportation fringe benefits to \$200 a month. Currently, the permanent cap is \$230 for the parking benefit, and there is a temporary extension that sets the transit cap at the same level, until the end of the calendar year 2011, at which point the transit cap will drop to \$130.



Announcing the Commuter Relief Act

- **Self Employed Extension of Transportation Fringe Benefits:** Allows individuals who are self-employed to receive transit fringe benefits for commuting done for work purposes.
- **Parking Cashout:** Requires employers who offer a parking transportation fringe benefit to employees to also offer employees the option to take cash instead, reducing the incentive to drive instead of using alternative transportation.
- **VanPool Credit:** Creates a 10% tax credit for expenditures on vanpool vehicles and services, which will provide an incentive for employers and employees to share their commutes.

- **MultiModal Transportation:** Allows individuals to combine their bike benefit with other transportation fringe benefits as long as they fall under the \$200 cap (for example, individuals can use the \$40 bike credit and still collect up to \$160 of their public transit fringe benefit). This section recognizes that people rarely use only one type of transportation to commute; they use a combination of modes depending on the weather, their needs for the day and other factors.

The legislation is designed to be revenue neutral. The additional credits are paid for by reducing the overall transit and parking cap from \$230 to \$200 a month.

“With workers and families getting clobbered by high gas prices, the Commuter Relief Act offers immediate, affordable alternatives to driving that will put money back in Americans’ pockets,” **sa id Blumenauer**

. “Now is the time to set aside gimmicky rhetoric that promises the impossible: lower oil prices from drilling for the tiny amount of oil we have here in the United States. The only way to meaningfully protect Americans from spikes in gas prices is to make alternatives to driving more convenient and affordable.”